

## DON SPI Meeting Minutes (23 Sep 97)

---

The DON monthly SPI meeting was held on September 23, 1997 at Crystal Plaza 5, Room 500. Attachment (a) is the meeting agenda, Attachment (b) is the attendees list. The following is a record of the meeting's salient discussions:

### **SYSCOM Activity Brief Notes:**

**NAVAIR** reported that the DCMC SPI database is still out of date which makes it very difficult to prioritize management of their SPI activity. It was suggested by ARO during this discussion that NAVAIR make direct contact with DCMC to update the information, and make suggestions that would make the database more user friendly (for their particular needs).

**NAVSEA** reported that SUPSHIPS is getting onboard with SPI but that there is still a need for them to become more familiar with the SPI process. NAVSEA reported that while they have provided introductory training/familiarization with Ingalls/Newport News representatives, there is still a need to better coordinate SPI issues, processes, etc. It was suggested by ARO that NAVSEA identify and invite (on regular basis) SUPSHIP reps to attend future DON meetings to better coordinate SPI issues.

**MARCORSYSCOM** voiced a concern that concept papers are not providing enough technical information for them to properly assess risk/merit factors for the government. The consequences of this deficiency are obvious—longer processing/approval periods waiting for the contractor to provide more information.

**NAVSUP** reported that improvements need to be made regarding the information that is initially provided in concept papers (similar to MARCOR concern). Specifically, NAVSUP would like to see more useful information in the initial package provided by the management council ACO for CTL review. NAVSUP stated that with the increased complexity (new technical areas) of concept papers, better information will be needed upfront to effectively coordinate a the Navy position.

**400SC/AP** reported increased SPI activity at Raytheon and invited group members to an upcoming SPI meeting in Lexington, MA (16 Oct 97). Concerns were voiced regarding DCMC's policy on automatic elevation of unanimously rejected CPs (15 Aug 97 SPI Bi-weekly report). Further, 400SC mentioned that while there have been improvements in the area of supplier participation in SPI, there is still a need to improve SPI awareness to many contractors that have government contracts.

**PEO(TAD)** focused its comments on the issue of SPI savings. It was conveyed in the discussion that the issue of cost savings/avoidance has renewed importance within their command. PEO(TAD) is reportedly looking at the "total package" for cost savings and is beginning to pursue cost savings/avoidance accountability measures on participating contractors. TAD reported that they expect more immediate savings from vendors such as Motorola (Tempe, AZ) as they shift from administrative to more technical SPIs.

**SSP** reported steady Command participation in SPI but did not mention any major concerns or specific problems in management of their current SPI activities.

- Ms. Barbara Foss-Fischer (DCMC) presented a briefing on the (proposed) Management Council Waiver Authority, a pilot program designed to expand the role of select management councils. Ms. Fischer explained that there has been favorable response to the proposed program but that final disposition has not been determined as of yet. Ms. Fischer also encouraged Navy participation in identifying (volunteer) management councils to serve in the pilot program.

-initial questions centered on the need for such a program and whether or not OSD would support such an effort.

-other group questions related to where additional management council resources could be obtained to support this effort and how a management council could be qualified to make binding FAR/DFARS based decisions.

As the POC for the pilot program, Ms. Fischer noted the groups concerns and will elevate them to the proper authorities. She has also promised to keep DON abreast of future meetings/decisions regarding the waiver pilot program.

- CTL selection criteria was discussed with the group on the heels of recent concerns that more concise guidance is needed from DON. As discussed, DON will not dictate stringent criteria, but will provide general policy (guidelines) that will help screen potential CTL candidates.
- It was reported during the meeting that many DON CTLs are not familiar with the procedures or process of elevating management council disagreements. While DON does have specific guidance on elevating disagreements, it may need to be reviewed, updated, and distributed again to improve awareness of the procedure.

#### **ACTION ITEMS**

- **DON** to develop/distribute policy letter on support of DFARS Interim Ruling
- **DON** to review CTL roles/responsibilities and develop general guidelines for CTL selection
- **DON** to review and update CTL grievance procedures
- **NAVSEA** to identify and provide to DON, SPI POCs from each shipyard to attend DON meetings (to improve coordination/awareness of SPI issues)
- **DCMC** to update DON meeting members on status and upcoming meetings regarding the waiver authority pilot program
- **DCMC** to address current concerns/problems regarding deficiencies in contractor information in Phase I of the CP review process
- **DCMC** to investigate instances of ACOs designating their own CTLs and correct the problem
- **400SC/AP** to provide DON/SYSCOMs with details on 16 Oct SPI meeting in Lexington, MA

## DON SPI MEETING AGENDA

*September 23, 1997; 0900*

*Crystal Plaza 5, Rm. 500*

*Crystal City, VA*

***Meeting POC: Mr. Victor Jordan -703.602.2369***

***Jordan.Victor@HQ.NAVY.MIL***

---

**Opening Comments:** Captain Lou Morris

**SPI Activity Briefs:** NAVAIR  
NAVSEA  
MARCOR  
NAVSUP  
NAVICP  
SPAWAR  
PEO SC/AP  
PEO(TAD)  
PEO(USW)  
SSP

**SPI Issues:** Upcoming SPI Conferences/Workshops

Management Council Waiver Authority Brief:  
(Ms. Barbara Foss-Fischer, DCMC)

DFARS (97-D014), Interim ruling approved

DoN proposed SPI packaging clause

SYSCOM CTL selection process; what criteria is used?

**Open Forum:** SPI questions, comments, suggestions, concerns

**Adjourn:** Review meeting actions/schedule next meeting